

December 2020

Call for Inputs – Customer Protection Code of Practice Change Proposal

Ofwat

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1. Introduction

This Call for Inputs (CFI) seeks views on an urgent change proposal to the Customer Protection Code of Practice (CPCoP) from Castle Water, which has been presented in light of current and evolving Covid-19 restrictions. We consider that this change proposal warrants further scrutiny but to progress this, we need further information and evidence from stakeholders, that Castle Water would not be able to obtain itself.

Further, in assessing the change proposal, we have identified that two of the defined terms used in section 9 (Billing) of the CPCoP do not have a corresponding definition. We set out our proposals of how this should be addressed, and welcome views on these.

2. The change proposal

To ensure that non-household customers receive at least one accurate bill a year, the CPCoP requires Retailers to issue at least one accurate bill or invoice, each year, using a meter read where the supply is metered. The CPCoP confirms that a Retailer can choose to accept a read taken by the relevant non-household customer. In its change proposal, Castle Water raises concerns with the practical constraints Retailers are experiencing with accessing and therefore, reading, internal meters due to Covid-19 restrictions. This is resulting in a backlog of meters that require a meter reading to be scheduled. To address this issue, Castle Water has proposed that a Retailer:

- may bill or invoice a customer based on ‘estimated consumption’ where the Retailer is unable to read an internal meter because of Covid-19; and
- where the customer has been asked to provide a read within a reasonable period but has been unable or unwilling to do so, or has not responded.

We note that in response to our [Request for Information on the Consumer Council for Water CPCoP change proposal](#), this view was also shared by some other Retailers. We would like to understand the impact that Covid-19 restrictions are having on all Retailers’ capability to actively read internal meters. We will share the information gathered under this CFI with MOSL to establish a better understanding of the current levels of meter reading data being input into CMOS across the market.

2.1 Insufficient definitions

When assessing the change proposal we identified that two terms in 9.2.1 of the CPCoP (‘metered’ and ‘meter read’) are capitalised but do not have a corresponding definition. Our records show that these terms have never been defined in the CPCoP, but to add clarity for customers and retailers we are considering the necessity for including definitions as part of Castle Water’s change proposal. We are currently minded to align these definitions to those set out in the Wholesale Retail Code (WRC), as follows:

Meter Read: the reading of any meter for any purpose required under the Wholesale-Retail Code and, as the context requires, includes the data collected by such reading as submitted to the Market Operator in accordance with the processes set out in the CSDs, including estimated readings where permitted in accordance with CSD 0202 (Meter Read Submission: Process);

Metered: any Water Services or Sewerage Services for which Usage is calculated from a metered source or a series of related metered sources;

We are interested to hear views from stakeholders on this approach and whether this could result in any unintended consequences.

3. Next Steps

To inform the development of change proposal, we are requesting further information from stakeholders. The questions are set out in Appendix 1.

Any response to this CFI may be sent to CPCOPcodechange@ofwat.gov.uk with the subject 'CPCoP change proposal - Call for Inputs'.

All responses should be submitted by **5pm Friday, 8 January 2021**.

We intend to publish responses to this Call for Inputs on our website at www.ofwat.gov.uk. Subject to the following, by providing a response to this Call for Inputs you are deemed to consent to its publication.

If you think that any of the information in your response should not be disclosed (for example, because you consider it to be commercially sensitive), an automatic or generalised confidentiality disclaimer will not, of itself, be regarded as sufficient. You should identify specific information and explain in each case why it should not be disclosed [and provide a redacted version of your response], which we will consider when deciding what information to publish. At a minimum, we would expect to publish the name of all organisations that provide a written response, even where there are legitimate reasons why the contents of those written responses remain confidential.

In relation to personal data, you have the right to object to our publication of the personal information that you disclose to us in submitting your response (for example, your name or contact details). If you do not want us to publish specific personal information that would enable you to be identified, our Privacy Policy explains the basis on which you can object to its processing and provides further information on how we process personal data.

In addition to our ability to disclose information pursuant to the Water Industry Act 1991, information provided in response to this Call for Inputs, including personal data, may be published or disclosed in accordance with legislation on access to information – primarily the Freedom of Information Act 2000 (FoIA), the Environmental Information Regulations 2004 (EIR) and applicable data protection laws.

Please be aware that, under the FoIA and the EIR, there are statutory Codes of Practice² which deal, among other things, with obligations of confidence. If we receive a request for disclosure of information which you have asked us not to disclose, we will take full account of your explanation, but we cannot give an assurance that we can maintain confidentiality in all circumstances.

We will review the responses to the CFI to inform our decision on the Castle change proposal. We anticipate to publish our decision in early 2021.

Appendix 1 – Call for Inputs Questions

1. As a result of the Covid-19 pandemic, to what extent is the obtaining of internal meters (including where customers provide these reads) an issue for Retailers, and why. Please explain the impact or expected impact, if any, on your ability to provide customers with one accurate bill a year. Please provide evidence to support your answer (for example, data relating to the ability to successfully obtain internal meter reads).
2. Where you have identified that internal meter reading is an issue in response to question one, how long do you consider it will take you to return to pre-Covid-19 meter reading levels? Please provide rationale and where appropriate evidence to support your answer.
3. What are your views on the proposal to align the definitions for ‘metered’ and ‘meter read’ in the CPCoP with those set out in the WRC? Noting the requirement is to provide one accurate bill a year based on a meter read, please provide any specific implications to your business or customers?
4. If you do not support the CPCoP definitions being aligned with the WRC, please explain why and set out what changes (if any) you would suggest making to provide clarity to the CPCoP?

**Ofwat (The Water Services Regulation Authority)
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